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**YUE YUEN INDUSTRIAL  
(HOLDINGS) LIMITED**

**裕元工業(集團)有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 551)**



**POU SHENG INTERNATIONAL  
(HOLDINGS) LIMITED**

**寶勝國際(控股)有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 3813)**

**PROPOSED ACQUISITION OF 70% OF ISSUED SHARE CAPITAL  
OF FARSIGHTED INTERNATIONAL LIMITED**

**VARIATION OF TERMS**

The issue by Pou Sheng of some of the Consideration Shares under the DZJ Acquisition Agreement will be delayed. Further details are set out in this announcement.

Reference is made to the joint announcement issued by Pou Sheng and Yue Yuen dated 14th January, 2009 in relation to the DZJ Acquisition and the Yue Yuen Subscription. Terms defined in that announcement have the same meanings when used herein.

The consideration under the DZJ Acquisition Agreement consists of cash in the amount of US\$54,946,359 and 393,584,541 new Consideration Shares. In light of the change in business environment since signing of the DZJ Acquisition Agreement, Pou Sheng and the Vendor have further discussed and agreed under a supplemental agreement dated 3rd July, 2009 entered into between Pou Sheng, FIL and the Vendor (the "DZJ Supplemental Agreement") that Pou Sheng will defer the issue of 92,270,000 Consideration Shares and will only issue these Consideration Shares in accordance with the following schedule and if the relevant conditions specified are met:-

- (A) If the audited consolidated net profits after taxation of the DZJ Group for the year ending 30th September, 2009 reach or exceed RMB110,000,000, Pou Sheng will issue to the Vendor or its nominee 27,681,000 Consideration Shares.
- (B) If the total amount of the audited consolidated net profits after taxation of the DZJ Group for the two years ending 30th September, 2010 reach or exceed the following levels, the following number of Consideration Shares will be issued.

\* *for identification purpose only*

<b>Total audited consolidated net profits after taxation of the DZJ Group for the two years ending 30th September, 2010 (RMB)</b>	<b>Total accumulative number of Consideration Shares to be issued in accordance with the total achieved net profit level (inclusive of the 27,681,000 Consideration Shares which may have been issued as a result of the net profit benchmark for the year ending 30th September, 2009 being reached)</b>
164,500,000	46,135,000
188,000,000	59,975,500
211,500,000	73,816,000
235,000,000	92,270,000 <sup>1</sup>

*Note 1:* This is the maximum number of Consideration Shares which may be issued.

The above net profit figures of the DZJ Group are only benchmarks used to determine the number of Consideration Shares (if any) to be further issued to the Vendor. They are not estimates or indication of the future profit level of the DZJ Group or of the Pou Sheng Group.

If after the 27,681,000 Consideration Shares are issued as a result of the net profit benchmark for the year ending 30th September, 2009 being reached, the total audited consolidated net profits after taxation of the DZJ Group for the two years ending 30th September, 2010 do not reach a minimum of RMB 164,500,000, the Vendor is required to return to Pou Sheng all the 27,681,000 Consideration Shares previously issued. If this happens, Pou Sheng may appoint a third party to dispose of these Shares.

Under the DZJ Supplemental Agreement, the long stop date of the DZJ Acquisition Agreement has also been extended to 10th August, 2009.

Yue Yuen as a controlling shareholder of Pou Sheng holding approximately 55.7% of the issued shares in Pou Sheng as the date of this announcement has given its written approval of the variations to the DZJ Acquisition Agreement as set out in the DZJ Supplemental Agreement.

By Order of the Board of  
**Yue Yuen Industrial  
(Holdings) Limited**  
**Tsai Chi Neng**  
*Chairman*

By Order of the Board of  
**Pou Sheng International  
(Holdings) Limited**  
**Tsai David, Nai Fung**  
*Chairman*

Hong Kong, 3rd July, 2009

*As at the date of this announcement, in respect of Yue Yuen, Mr. Tsai Chi Neng (Chairman), Mr. David N. F. Tsai (Managing Director), Mr. Kuo Tai Yu, Mr. Lu Chin Chu, Mr. Kung Sung Yen, Mr. Chan Lu Min, Mr. Li I Nan, Steve, Miss Tsai Pei Chun, Patty and Ms. Kuo Li-Lien are the Executive Directors, Mr. John J. D. Sy is the Non-executive Director, and Mr. So Kwan Lok, Mr. Liu Len Yu and Mr. Leung Yee Sik are the Independent Non-executive Directors.*

*As at the date of this announcement, in respect of Pou Sheng, Mr. Tsai David, Nai Fung (Chairman and Non-executive Director); Mr. Lee Chung Wen, Mr. Huang Chun Hua, Mr. Lu Ning and Ms. Chang Karen Yi-Fen are the Executive Directors; Ms. Tsai Patty, Pei Chun and Ms. Kuo, Li-Lien are the Non-executive Directors; and Mr. Chen Huan-Chung, Mr. Hu Sheng-Yih, Mr. Mak Kin Kwong and Mr. Cheng Ming Fun Paul are the Independent Non-executive Directors.*

*websites: [www.yueyuen.com](http://www.yueyuen.com), [www.pousheng.com](http://www.pousheng.com)*